



Panoro Energy

Trading and Financial Update

First Quarter 2025

21 May 2025

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ABOUT PANORO

Panoro Energy ASA is an independent exploration and production company based in London and listed on the main board of the Oslo Stock Exchange with the ticker PEN. Panoro holds production, exploration and development assets in Africa, namely interests in Block-G, Block S, Block EG-01 and Block EG-23 offshore Equatorial Guinea, the Dussafu Marin, Niosi Marin and Guduma Marin Licenses offshore southern Gabon, the TPS operated assets in Tunisia and onshore Exploration Right 376 in South Africa.

HIGHLIGHTS, EVENTS AND UPDATES

First Quarter 2025 Corporate and Financial Update

Production Update

- › Group working interest production in Q1 was approximately 12,000 bopd:
 - Gabon: 6,841 bopd (Q4 2024: 6,502 bopd)
 - Equatorial Guinea: 3,661 bopd (Q4 2024: 4,060 bopd)
 - Tunisia: 1,492 bopd (Q4 2024: 1,491 bopd)
- › Gross production at the Dussafu block offshore Gabon (Panoro 17.5 percent) averaged 39,089 bopd during Q1
- › Production at Block G offshore Equatorial Guinea (Panoro 14.25 percent) averaged 25,689 during Q1 impacted by unplanned downtime at the Ceiba field
- › Recent workovers and well interventions in Tunisia demonstrating positive impact on production which has increased to current gross rates of approximately 3,500 bopd (Panoro 49.0 percent)
- › Full-year 2025 working interest production guidance unchanged at 11,000 bopd to 13,000 bopd

Finance Update

- › Q1 financial performance reflects the Company's previously guided lifting schedule and minimal liftings scheduled during the quarter. Full year 2025 liftings are expected to be approximately 3.7 million barrels (unchanged)
- › Reported Q1 revenue was USD 19.0 million (Q4 2024: USD 106.3 million) of which USD 13.2 million was generated from the sale of 189,443 barrels at an average realised price of USD 69.92 per barrel after customary adjustments and fees
- › Q1 EBITDA was USD 15.3 million (Q4 2024: USD 50.8 million) with a loss before tax of USD 5.4 million (Q4 2024: USD 31.7 million profit) and net loss for the period of USD 13.1 million (Q4 2024: USD 36.2 million profit)
- › Net cash outflow from operations was USD 19.9 million (Q4 2024: USD 30.9 million net inflow) with capital expenditure of USD 6.8 million (Q4 2024: USD 28.3 million)
- › The Company expects full-year 2025 capital expenditures to be approximately USD 40 million, an increase from prior guidance of USD 35 million following the successful Bourdon discovery and subsequent appraisal side-track well offshore Gabon which has established the basis for a new future development cluster on the Dussafu block
- › Cash at bank at 31 March 2025 was USD 51.8 million and includes advances taken against future oil liftings of USD 16.0 million
- › Post period end a lifting of 933,136 barrels was completed offshore Gabon in mid-April at an average realised price after customary adjustments, effect of hedging and fees of approximately USD 66 per barrel, resulting in proceeds of USD 61.7 million
- › Panoro's next major lifting is expected to occur in early July
- › Gross debt outstanding at 31 March 2025 comprised solely of USD 150 million 10.25 per cent senior secured notes

Shareholder returns

- › Panoro today declares a Q1 2025 cash distribution of NOK 80 million for payment in June as a return of paid in capital
- › In line with the Company's previously communicated 2025 shareholder returns policy, permitted distributions for calendar year 2025 are USD 45 million (NOK equivalent) inclusive of all amounts returned year-to-date

- › The Company has completed its up to NOK 100 million share buyback programme which was initiated on 23 May 2024. Under the programme Panoro purchased a total of 3,500,000 shares at a weighted average price of NOK 28.4808 per share, corresponding to 2.993 per cent of Panoro's share capital. Subject to approvals at the 2025 AGM the shares purchased under the buyback programme will be cancelled. Renewed authorisation for further share buybacks will be sought at the 2025 AGM

2024 Annual Statement of Reserves

- › In April the Company reported a 22 per cent year-on-year increase in net 2P reserves and an organic reserve replacement ratio in 2024 of 309 per cent
- › After taking account of 2024 production of 3.6 MMbbls the total net working interest reserves for Panoro expressed in MMbbls as of 31 December 2024 were:
 - 1P reserves of 29.54 MMbbls (31 December 2023: 23.22 MMbbls)
 - 2P reserves of 42.27 MMbbls (31 December 2023: 34.67 MMbbls)
 - 3P reserves of 57.01 MMbbls (31 December 2023: 46.52 MMbbls)
- › 2P reserves at 31 December 2024 reflect an organic reserve addition of 11.2 MMbbls primarily in relation to the Hibiscus South Extension and Hibiscus North Flank discoveries made during 2024 offshore Gabon, stronger than expected well performance across the Hibiscus area offshore Gabon and re-classification of certain contingent resources at Block G offshore Equatorial Guinea in line with the operator's planning. This represents a 309 percent organic reserve replacement ratio of volumes produced during the year
- › In addition to stated reserves Panoro also has a 2C contingent resource base of 25.6 MMbbls

Significant Oil Discovery Offshore Gabon

- › On 7 March the Company announced that a significant new oil discovery had been made at the Bourdon prospect, located on the Dussafu block offshore Gabon
- › The well was drilled to a total depth of 4,135 metres with the Borr Nolve jack-up rig. Evaluation of logging and pressure data confirmed that approximately 34 metres of net oil pay in an overall column of 45 metres has been encountered in the prolific Gamba reservoir formation. This is the largest hydrocarbon column discovered to date at Dussafu
- › On 22 April the Company announced that an appraisal side-track well encountered approximately 11 metres of net oil pay in a gross column of approximately 35 metres in the Gamba reservoir formation. Based on preliminary analysis of data the operator estimates the Bourdon discovery to hold approximately 56 million barrels of oil in place of which approximately 25 million barrels are considered recoverable
- › The discovery is located approximately 13 kilometres west of the BW Adolo FPSO and 9 kilometres southeast of the MaBoMo production facility

Exploration Portfolio

- › EG-23 (Equatorial Guinea, Panoro 80.0 percent, operator): Initiated seismic reprocessing and subsurface studies
- › EG-01 (Equatorial Guinea, Panoro 56.0 percent, operator): Finalising prospect inventory for possible drilling phase
- › Niosi / Guduma Blocks (Gabon, Panoro 25.0 percent): Planning underway for seismic data acquisition
- › ER 376 (South Africa, Panoro 100 percent): awaiting approval of Exploration Right application

FINANCIAL INFORMATION

The financial information set out below is intended as a high-level update of the results and financial position of Panoro. This information is unaudited and has been prepared using the same accounting policies and principles applied to preparation of the Group's 2024 Annual report.

Condensed Consolidated Statement of Comprehensive Income

	Q1 2025	Q4 2024	Q1 2024
	(Unaudited)	(Unaudited)	(Unaudited)
<i>Amounts in USD 000</i>			
Total revenues	19,006	106,273	68,935
Operating expenses	(25,633)	(29,933)	(21,656)
Royalties	(3,812)	(2,335)	(1,421)
Inventory movements *	29,985	(21,568)	(3,623)
Non-recurring items	(260)	(101)	(289)
General and administrative costs	(3,989)	(1,570)	(3,291)
EBITDA	15,297	50,766	38,655
Depreciation, depletion and amortisation	(14,445)	(16,144)	(13,230)
Exploration costs written off	-	3,458	-
Other non-operating items	(496)	(519)	(434)
EBIT - Operating income	356	37,561	24,991
Financial costs net of income	(5,746)	(5,905)	(4,009)
Profit before tax	(5,390)	31,656	20,982
Income tax expense	(7,740)	4,587	(8,924)
Net profit for the period	(13,130)	36,243	12,058
Other comprehensive income	-	-	-
Total comprehensive income for the period (net of tax)	(13,130)	36,243	12,058

NET INCOME /(LOSS) FOR THE PERIOD ATTRIBUTABLE TO:

Equity holders of the parent	(13,130)	36,243	12,058
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TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD ATTRIBUTABLE TO:

Equity holders of the parent	(13,130)	36,243	12,058
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EARNINGS PER SHARE

Basic EPS on profit for the period attributable to equity holders of the parent (USD) - Total	(0.11)	0.31	0.10
Diluted EPS on profit for the period attributable to equity holders of the parent (USD) - Total	(0.11)	0.31	0.10
Basic and diluted EPS on profit for the period attributable to equity holders of the parent (USD) - Continuing operations	(0.11)	0.31	0.10
Diluted EPS on profit for the period attributable to equity holders of the parent (USD) - Continuing operations	(0.11)	0.31	0.10

* Crude oil inventory and over/underlift movements form part of cost of sales and are valued using a cost per barrel that includes operating costs and depreciation, resulting in negative cost of sales during periods of limited or no liftings.

Underlying Operating Profit/(Loss) before tax is considered by the Group to be a useful non-GAAP financial measure to help understand underlying operational performance. The foregoing analysis has also been performed including, on an adjusted basis, the Underlying Operating Profit/(Loss) before tax from continuing operations of the Group. A reconciliation with adjustments to arrive at the Underlying Operating Profit/(Loss) before tax from continuing operations is included in the table below:

	Q1 2025 (Unaudited)	Q4 2024 (Unaudited)	Q1 2024 (Unaudited)
<i>Amounts in USD 000</i>			
Net income/(loss) before tax - continuing operations	(5,390)	27,082	20,982
Share based payments	496	508	434
Non-recurring items	260	101	289
Loss/(gain) on investment	-	6	-
Underlying operating profit/(loss) before tax	(4,634)	27,697	21,705

Underlying Operating Profit/(Loss) before tax is a supplemental non-GAAP financial measures used by management and external users of the Company's consolidated financial statements, such as industry analysts, investors, lenders and rating agencies. The Company defines Underlying Operating Profit/(loss) before tax as Net income (loss) from continuing operations before tax adjusted for (i) Share based payment charges, (ii) unrealised (gain) loss on commodity hedges, (iii) (gain) loss on sale of oil and gas properties, (iv) impairments write-off's and reversals, and (v) similar other material items which management believes affect the comparability of operating results. We believe that Underlying Operating Profit/(Loss) before tax and other similar measures are useful to investors because they are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the oil and gas sector and will provide investors with a useful tool for assessing the comparability between periods, among securities analysts, as well as company by company. Because EBITDA and Underlying Operating Profit/(Loss) before tax excludes some, but not all, items that affect net income, these measures as presented by us may not be comparable to similarly titled measures of other companies.

Condensed Consolidated Statement of Financial Position

	As at 31 March 2025	As at 31 December 2024
<i>Amounts in USD 000</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
Tangible and intangible assets	554,258	561,900
Other non-current assets	546	542
Total Non-current assets	554,804	562,442
Inventories	72,107	41,660
Trade and other receivables	25,376	38,586
Cash and cash equivalents	51,836	72,868
Total current assets	149,319	153,114
Total Assets	704,123	715,556
Total Equity	251,165	274,113
Decommissioning liability	141,087	143,653
Loans and borrowings	146,848	146,488
Other non-current liabilities	24,726	25,969
Deferred tax liabilities	61,559	62,239
Total Non-current liabilities	374,220	378,349
Loans and borrowings - current portion	3,292	(553)
Oil revenue advances	16,000	-
Trade and other current liabilities	50,431	39,110
Current and deferred taxes	9,015	24,537
Total Current liabilities	78,738	63,094
Total Liabilities	452,958	441,443
Total Equity and Liabilities	704,123	715,556

Condensed Consolidated Statement of Changes in Equity

Attributable to equity holders of the parent

**For the three months ended
31 March 2025**
Amounts in USD 000

	Issued capital	Share premium	Treasury shares	Additional paid-in capital	Retained earnings	Other reserves	Currency translation reserve	Total
At 1 January 2025 (Audited)	738	415,647	(4,348)	122,102	(216,618)	(37,647)	(5,761)	274,113
Net income/(loss) for the period - continuing operations	-	-	-	-	(13,130)	-	-	(13,130)
Other comprehensive income/(loss)	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	-	-	(13,130)	-	-	(13,130)
Buyback of own shares	-	-	(3,283)	-	-	-	-	(3,283)
Employee share options charge	-	-	-	493	-	-	-	493
Distributions to shareholders	-	(7,028)	-	-	-	-	-	(7,028)
At 31 March 2025 (Unaudited)	738	408,619	(7,631)	122,595	(229,748)	(37,647)	(5,761)	251,165

Attributable to equity holders of the parent

**For the three months ended
31 December 2024**
Amounts in USD 000

	Issued capital	Share premium	Treasury shares	Additional paid-in capital	Retained earnings	Other reserves	Currency translation reserve	Total
At 30 September 2024 (Unaudited)	738	420,088	(3,578)	121,595	(252,865)	(37,647)	(5,761)	242,570
Net income/(loss) for the period - continuing operations	-	-	-	-	36,247	-	-	36,247
Other comprehensive income/(loss)	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	-	-	36,247	-	-	36,247
Buyback of own shares	-	-	(770)	-	-	-	-	(770)
Employee share options charge	-	-	-	507	-	-	-	507
Distributions to shareholders	-	(4,441)	-	-	-	-	-	(4,441)
At 31 December 2024 (Audited)	738	415,647	(4,348)	122,102	(216,618)	(37,647)	(5,761)	274,113

Attributable to equity holders of the parent

**For the three months ended
31 March 2024**
Amounts in USD 000

	Issued capital	Share premium	Treasury shares	Additional paid-in capital	Retained earnings	Other reserves	Currency translation reserve	Total
At 1 January 2024 (Audited)	738	433,969	-	122,038	(277,300)	(37,647)	(5,761)	236,037
Net income/(loss) for the period - continuing operations	-	-	-	-	12,058	-	-	12,058
Other comprehensive income/(loss)	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	-	-	12,058	-	-	12,058
Employee share options charge	-	-	-	434	-	-	-	434
Distributions to shareholders	-	(4,689)	-	-	-	-	-	(4,689)
At 31 March 2024 (Unaudited)	738	429,280	-	122,472	(265,242)	(37,647)	(5,761)	243,840

Condensed Consolidated Statement of Cashflows

	Q1 2025	Q4 2024	Q1 2024
<i>Cash inflows / (outflows) (USD 000)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Net (loss)/income for the period before tax	(5,390)	31,660	20,982
ADJUSTED FOR:			
Depreciation	14,445	16,144	13,230
Increase/(decrease) in working capital	(10,979)	(10,348)	(5,410)
State share of profit oil	(5,760)	(4,678)	(4,065)
Taxes paid	(18,182)	(1,886)	(4,238)
Net finance costs and losses/(gains) on commodity hedges	5,518	1,042	3,943
Exploration costs written off	-	(3,458)	-
Other non-cash items	493	2,442	442
Net cash (out)/inflow from operations	(19,855)	30,918	24,884
CASH FLOW FROM INVESTING ACTIVITIES			
Investment in exploration, production and other assets	(6,803)	(28,283)	(27,261)
Net cash (out)/inflow from investing activities	(6,803)	(28,283)	(27,261)
CASH FLOW FROM FINANCING ACTIVITIES			
Gross proceeds from loans and borrowings	-	170,000	10,000
Oil revenue advances	16,000	(10,400)	(5,880)
Repayment of Senior Secured loans	-	(90,452)	-
Realised gain/(loss) on commodity hedges	-	(315)	-
Borrowing costs, including bank charges	-	(10,083)	(2,379)
Cost of buy-back of own shares	(3,283)	(770)	-
Cash cost of equity issue on settlement of RSUs	-	(1,933)	-
Lease liability payments	(63)	(64)	(59)
Distributions to shareholders	(7,028)	(4,441)	(4,689)
Net cash (out)/inflow from financing activities	5,626	51,542	(3,007)
Change in cash and cash equivalents during the period	(21,032)	54,177	(5,384)
Cash and cash equivalents at the beginning of the period	72,868	18,691	27,821
Cash and cash equivalents at the end of the period	51,836	72,868	22,437

Segment information

	Q1 2025	Q4 2024	Q1 2024
<i>All amounts in USD 000 unless otherwise stated</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
OPERATING SEGMENTS - GROUP NET SALES			
Net average daily production - Block G (bopd)	3,661	4,060	3,481
Net average daily production - Dussafu (bopd)	6,841	6,502	4,347
Net average daily production - TPS assets (bopd)	1,492	1,491	1,777
Total Group Net average daily production (bopd)	11,994	12,052	9,605
Oil sales (bbls) - Net to Panoro - Block G, Equatorial Guinea	-	670,059	-
Oil sales (bbls) - Net to Panoro - Dussafu, Gabon	-	556,920	608,652
Oil sales (bbls) - Net to Panoro - TPS assets, Tunisia	189,443	191,432	190,747
Total Group Net Sales (bbls) - continuing operations	189,443	1,418,411	799,399
OPERATING SEGMENT - WEST AFRICA - EQUATORIAL GUINEA			
EBITDA	3,591	14,183	3,849
Depreciation and amortisation	3,810	6,861	4,789
Segment assets	281,020	298,163	260,282
OPERATING SEGMENT - WEST AFRICA - GABON			
EBITDA	11,670	31,202	29,150
Depreciation and amortisation	8,512	6,870	6,257
Segment assets	302,676	277,129	260,049
OPERATING SEGMENT - NORTH AFRICA - TUNISIA			
EBITDA	3,733	6,386	8,245
Depreciation and amortisation	1,488	2,363	2,137
Segment assets	102,965	94,331	111,264
OPERATING SEGMENT - SOUTH AFRICA			
EBITDA	(14)	(58)	(4)
Segment assets	164	153	151
CORPORATE			
EBITDA	(3,683)	(947)	(2,585)
Depreciation and amortisation	635	50	47
Segment assets	17,298	45,780	8,172
TOTAL - CONTINUING OPERATIONS			
EBITDA	15,297	50,766	38,655
Depreciation and amortisation	14,445	16,144	13,230
Segment assets	704,123	715,556	639,918

1. Basis of preparation

The purpose of the unaudited condensed consolidated financial statements contained herein is to provide a high level update on Panoro activities, does not constitute an interim financial report under IAS 34 and should be read in conjunction with the financial information and the risk factors contained in the Company's 2024 Annual Report, available on the Company's website www.panoroenergy.com.

The condensed consolidated financial statements are presented in US Dollars and all values are rounded to the nearest thousand dollars (USD 000), except when otherwise stated.

1. Material accounting policy information

The accounting policies adopted in preparation of these condensed consolidated financial statements are consistent with those followed in the preparation of the Group's 2024 Annual Report.

2. Principal risks and uncertainties

The Group's activities expose it to a number of risks and uncertainties, which are consistent with those outlined in the Group's 2024 Annual Report.

3. Trade and other receivables

	31 March 2025	31 December 2024
	(Unaudited)	(Audited)
<i>Amounts in USD 000</i>		
International oil sales	-	13,340
Domestic oil sales	24,342	23,717
Joint venture accounts	-	118
Other prepayments and receivables	1,034	1,411
Total trade and other receivables	25,376	38,586

4. Loans and borrowings

Senior Secured Bond

Current and non-current portion of the outstanding balance of the Senior Secured Bond facility as of the date of the statement of financial position is as follows:

	31 March 2025	31 December 2024
	(Unaudited)	(Audited)
<i>Amounts in USD 000</i>		
Bond facility - Non-current	150,000	150,000
Bond interest accrued - Current	4,698	854
Total Bond	154,698	150,854
Borrowing Base Unamortised borrowing costs - Non-current	(3,152)	(3,512)
Borrowing Base Unamortised borrowing costs - Current	(1,406)	(1,407)
Total Unamortised borrowing costs	(4,558)	(4,919)
Total Bond facility	150,140	145,935

The Company successfully completed a 5-year senior secured bond issue of USD 150 million in December 2024 with a coupon rate of 10.25 per cent. The Company was not in breach of any financial covenants as at 31 March 2025.

5. Income tax expense

Income tax expense consists of the following:

	Q1 2025	Q4 2024	Q1 2024
<i>Amounts in USD 000</i>			
Effect of taxes under PSA arrangements - Gabon	5,760	5,373	4,065
Current income tax charge/(credit)	2,660	(3,773)	6,124
Other Corporate	-	1,206	2
Deferred tax charge/(credit)	(680)	(7,393)	(1,267)
Total tax charge	7,740	(4,587)	8,924

OTHER INFORMATION

Glossary and definitions

Bbl	One barrel of oil, equal to 42 US gallons or 159 liters
Bopd	Barrels of oil per day
Kbopd	Thousands of barrels of oil per day
Bcf	Billion cubic feet
Bm ³	Billion cubic meter
BOE	Barrel of oil equivalent
Btu	British Thermal Units, the energy content needed to heat one pint of water by one degree Fahrenheit
IP	Initial production
Mcf	Thousand cubic feet
MMcf	Million cubic feet
MMbbl	Million barrels of oil
MMboe	Million barrels of oil equivalents
MMBtu	Million British thermal units
MMm ³	Million cubic meters
Tcf	Trillion cubic feet
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortisation
EBIT	Earnings before Interest and Taxes
TVDSS	True Vertical Depth Subsea

Disclaimer

This report does not constitute an offer to buy or sell shares or other financial instruments of Panoro Energy ASA ("Company"). This report contains certain statements that are, or may be deemed to be, "forward-looking statements", which include all statements other than statements of historical fact. Forward-looking statements involve making certain assumptions based on the Company's experience and perception of historical trends, current conditions, expected future developments and other factors that we believe are appropriate under the circumstances. Although we believe that the expectations reflected in these forward-looking statements are reasonable, actual events or results may differ materially from those projected or implied in such forward-looking statements due to known or unknown risks, uncertainties and other factors. These risks and uncertainties include, among others, uncertainties in the exploration for and development and production of oil and gas, uncertainties inherent in estimating oil and gas reserves and projecting future rates of production, uncertainties as to the amount and timing of future capital expenditures, unpredictable changes in general economic conditions, volatility of oil and gas prices, competitive risks, counter-party risks including partner funding, regulatory changes including country risks where the Group's assets are located and other risks and uncertainties discussed in the Company's periodic reports. Forward-looking statements are often identified by the words "believe", "budget", "potential", "expect", "anticipate", "intend", "plan" and other similar terms and phrases. We caution you not to place undue reliance on these forward-looking statements, which speak only as of the date of this report, and we undertake no obligation to update or revise any of this information.



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